

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8 999 18TH STREET- SUITE 300

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99 18. STREET- SUITE 30 DENVER, CO 80202-2466

Phone 800-227-8917 http://www.epa.gov/region08

DOCKET NO.: SDWA-08-2005-0058

EPA REGION VIII WEARING CLERK

IN THE MATTER OF:)
NEWFIELD PRODUCTION CO. A Texas corporation) FINAL ORDER
)
DECDONDENT	\(\)

Pursuant to 40 C.F.R. §22.18, of EPA's Consolidated Rules of Practice, the Consent Agreement resolving this matter is hereby approved and incorporated by reference into this Final Order. The Respondents are hereby **ORDERED** to comply with all of the terms of the Consent Agreement, effective immediately upon receipt by Respondents of this Consent Agreement and Final Order.

May 18, 2006

Elvana R. Sutin

Regional Judicial Officer

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 8

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In the Matter Of:) Docket No. SDWA-08-2005-0058	EPA REGION VIII HEARING CLERK
Newfield Production Company a Texas corporation,) CONSENT AGREEMENT)	
Respondent))	

AUTHORITY

1. This Consent Agreement is entered into between Complainant United States Environmental Protection Agency, Region 8 ("EPA"), and Respondent Newfield Production Company pursuant to section 1423 of the Safe Drinking Water Act ("SDWA"), 42 U.S.C. § 300h-2, and 40 CFR § 22.18(b)(2). This authority has been properly delegated to the undersigned EPA officials. Complainant and Respondent (hereafter referred to collectively as "the Parties"), by their undersigned representatives, hereby consent and agree as follows.

FACTUAL AND PROCEDURAL BACKGROUND

2. On March 28, 2006, Complainant issued Respondent an Amended Proposed Administrative Order with Administrative Civil Penalties ("Amended Complaint") in the above-captioned matter pursuant to section 1423(c) of the SDWA, 42 U.S.C § 300h-2(c). The Amended Complaint alleges that the Odekirk #7-36-8-17 class II injection well, owned and/or operated by Respondent, violated the SDWA, the Underground Injection Control ("UIC") regulations set forth at 40 CFR part 144, and the conditions set forth in EPA Permit No. UT20892-04601. The Amended Complaint proposes a penalty for the alleged violation.

IN THE MATTER OF NEWFIELD PRODUCTION CO. CONSENT AGREEMENT -PAGE 1

- 3. The Parties agreed upon a settlement-in-principle to fully resolve the violation alleged in the Amended Complaint within the thirty (30) day time period for Respondent to file an answer.
- 4. In lieu of Respondent filing an answer, the Parties agreed to file a Consent Agreement immediately upon expiration of the public notice period.
- 5. Respondent admits the jurisdictional allegations of the Amended Complaint and the Consent Agreement.
- 6. Respondent neither admits nor denies the specific factual allegations of the Amended Complaint or the Consent Agreement.
- 7. Respondent waives its right to a hearing before any tribunal to contest any issue of law or fact set forth in the Amended Complaint or the Consent Agreement.
- 8. The Consent Agreement contains all terms of the settlement agreed to by the Parties. Upon incorporation into a final order, the Consent Agreement applies to and is binding upon EPA and Respondent, its officers, directors, employees, agents and all persons acting under or for Respondent, until such time as the civil penalty required under paragraph no. 9 has been paid. Any change in ownership or corporate status of Respondent including, but not limited to, any transfer of assets or real or personal property, shall not alter Respondent's responsibilities under the Consent Agreement.
- 9. Pursuant to section 1423(a) of the SDWA, 42 U.S.C. § 300h-2(a), the nature of the violation, and other relevant factors, EPA determined that an appropriate civil penalty to settle this action is in the amount of five thousand dollars (\$5,000).

TERMS OF SETTLEMENT

- 10. Respondent consents to the issuance of the Consent Agreement and, for the purposes of settlement, to the payment of the civil penalty cited in paragraph no. 9 above.
- Respondent shall pay the total civil penalty of Five Thousand Dollars (\$5,000) by remitting a cashier's or certified check, payable to "Treasurer, United States of America," within thirty (30) days of receiving a final order in this matter, to:

Mellon Bank EPA Region 8 (Regional Hearing Clerk) P.O. Box 360859M Pittsburgh, PA. 15251

The check shall reference Respondent's name and address and the EPA docket number of this action.

12. Respondent agrees to mail a copy of the check simultaneously to the following:

Tina Artemis, Regional Hearing Clerk U.S. EPA Region 8 (8RC) 999 19th Street, Suite 300 Denver, Colorado 80202-2466

and to:

Amy Swanson, Enforcement Attorney Legal Enforcement Program (8ENF-L) U.S. EPA Region 8 999 19th Street, Suite 300 Denver, Colorado 80202-2466

13. Respondent further agrees and consents that if it fails to pay the penalty amount within thirty (30) days of receipt of the final order, interest on the penalty amount shall accrue from the date that the payment was due at a rate established by the Secretary of the Treasury

IN THE MATTER OF NEWFIELD PRODUCTION CO. CONSENT AGREEMENT -PAGE 3

pursuant to 31 U.S.C. § 3717. A late payment charge of fifteen dollars (\$15.00) shall be imposed after the first thirty (30) days that the payment, or any portion thereof, is overdue, with an additional charge of fifteen dollars (\$15.00) imposed for each subsequent 30-day period until the payment is made. In addition, a six percent (6%) per annum penalty shall be applied to any principal not paid within ninety (90) days of the due date of the final order.

14. The penalty specified in paragraph no. 9 above shall represent a civil penalty assessed by EPA and shall not be deductible for purposes of Federal taxes under U.S. law.

GENERAL PROVISIONS

- 15. The Consent Agreement shall not relieve Respondent of its obligation to comply with the SDWA, its implementing regulations and permit conditions.
- 16. Failure by Respondent to comply with any of the terms of the Consent Agreement shall constitute a breach of the agreement and may result in referral of the matter to the Department of Justice for enforcement of the Consent Agreement and for such other relief as may be appropriate in federal district court.
- 17. Nothing in the Consent Agreement shall be construed as a waiver by EPA of its authority to seek costs or any appropriate penalty associated with any collection action instituted if Respondent fails to perform pursuant to the terms of the Consent Agreement.
- 18. Respondent's undersigned representative certifies that he or she is fully authorized to enter into and bind Respondent to the terms and conditions of the Consent Agreement.
 - 19. Each party shall bear its own costs and attorneys fees related to this matter.
- 20. The Parties agree to forward the Consent Agreement to the Regional Judicial Officer with a request that it be incorporated into a final order.

IN THE MATTER OF NEWFIELD PRODUCTION CO. CONSENT AGREEMENT -PAGE 4

- The Consent Agreement, upon incorporation into a final order by the Regional Judicial Officer and upon full satisfaction by the Parties, shall constitute a complete and full civil settlement of the specific violation alleged in the Amended Complaint.
- The Consent Agreement shall become effective upon the date of issuance of the Regional Judicial Officer's final order.

SO CONSENTED AND AGREED TO:

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, REGION 8, Complainant.

Date: _	17	May	2006
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Michael T. Risner, Director
David J. Janik, Supervisory Attorney
Legal Enforcement Program

Date:		8	M	مبر	20	Ó	6
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By: Elisabeth Evans, Director
Technical Enforcement Program

NEWFIELD PRODUCTION COMPANY, Respondent.

Date: _____

Michael Guinn, District Manager

The undersigned certifies that the original of the attached **CONSENT AGREEMENT/FINAL ORDER** in the matter of **NEWFIELD EXPLORATION CO.**, **DOCKET NO.: SDWA-08-2005-0058** was filed with the Regional Hearing Clerk on May 18, 2006.

Further, the undersigned certifies that a true and correct copy of the document was delivered to Amy Swanson, Enforcement Attorney, U. S. EPA – Region 8, 999 18th Street, Suite 300, Denver, CO 80202-2466. True and correct copies of the aforementioned documents were placed in the United States mail certified/return receipt requested on May 18, 2006, to:

Carolyn L. McIntosh, Esq. Robert Thibault, Esq. Patton, Boggs LLP 1660 Lincoln St., Suite 1900 Denver, CO 80264

Mike Guinn, District Manager Newfield Rocky Mountains, Inc. Route 3, Box 3630 Mayton, Utah 84052

And hand carried to:

Honorable Elyana R. Sutin Regional Judicial Officer U. S. Environmental Protection Agency – Region 8 999 18th Street, Suite 300 (8RC) Denver, CO 80202-2466

May 18, 2006

Tina Artemis

Regional Hearing Clerk

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